

# 2011 Property Tax Report

## Monroe County

### with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Monroe County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

#### Comparable Homestead Property Tax Changes in Monroe County

	2010 to 2011		2007 to 2011	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>				
Higher Tax Bill	21,887	94.2%	3,920	16.9%
No Change	216	0.9%	64	0.3%
Lower Tax Bill	1,133	4.9%	19,252	82.9%
<b>Average Change in Tax Bill</b>	<b>13.3%</b>		<b>-11.6%</b>	
<b>Detailed Change in Tax Bill</b>				
20% or More	5,084	21.9%	1,191	5.1%
10% to 19%	4,731	20.4%	843	3.6%
1% to 9%	12,072	52.0%	1,886	8.1%
0%	216	0.9%	64	0.3%
-1% to -9%	768	3.3%	5,288	22.8%
-10% to -19%	141	0.6%	6,951	29.9%
-20% to -29%	69	0.3%	3,291	14.2%
-30% to -39%	43	0.2%	1,819	7.8%
-40% to -49%	22	0.1%	852	3.7%
-50% to -59%	20	0.1%	365	1.6%
-60% to -69%	20	0.1%	227	1.0%
-70% to -79%	9	0.0%	141	0.6%
-80% to -89%	10	0.0%	93	0.4%
-90% to -99%	5	0.0%	56	0.2%
-100%	26	0.1%	169	0.7%
<b>Total</b>	<b>23,236</b>	<b>100.0%</b>	<b>23,236</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

★★★★★★  
*HIGHER TAX RATES AND THE  
 LOSS OF THE STATE  
 HOMESTEAD CREDIT RAISE  
 HOMEOWNER TAX BILLS*  
 ★★★★★★

#### Homestead Property Taxes

Homestead property taxes increased 13.3% on average in Monroe County in 2011. This was more than the state average of 4.4%. Monroe County homestead taxes were still 11.6% lower in 2011 than they were in 2007, before the big tax reform. The larger-than-average homestead tax increase in 2011 was partly due to an increase in tax rates and partly due to the phaseout of the state homestead credit in 2011. The state homestead credit was 3.6% in Monroe County in 2010.

#### Tax Rates

Property tax rates increased in almost all Monroe County tax districts. The average tax rate increased 7.3% because a small increase in net assessed value was exceeded by a larger increase in the levy. Levies in Monroe County increased by 8.7%. The biggest levy increases were in the Monroe County Community Schools referendum operating fund and in the Richland-Bean Blossom Community Schools debt service and capital projects funds. The biggest levy reduction was in the county unit where the debt payment levy was eliminated. Monroe County's total net assessed value increased 0.5% in 2011. (The certified net AV used to compute tax rates rose by 1.3%.) Homestead and agricultural net assessments increased by 1.0% and 15.0%, respectively. Other residential assessments were unchanged, while business net assessments decreased by 0.5%.

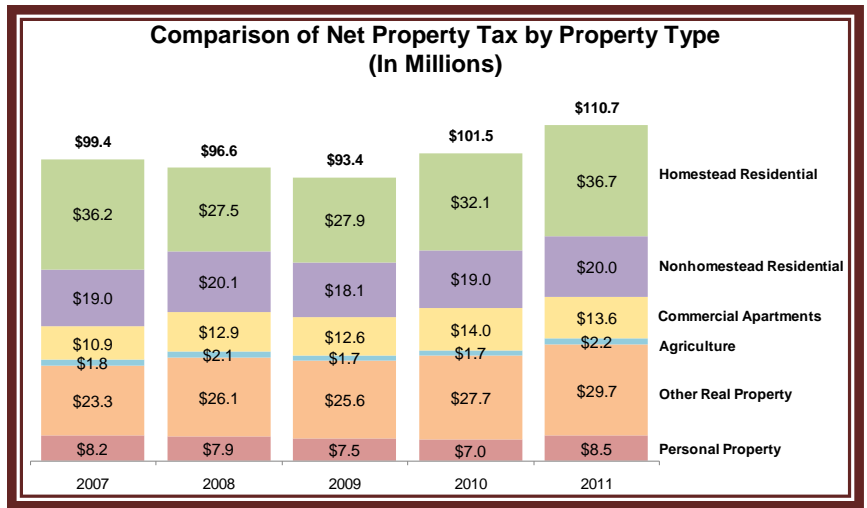
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*LARGE INCREASES IN TAXES FOR MOST  
NONHOMESTEAD PROPERTY CATEGORIES,  
DUE TO HIGHER TAX RATES*

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### Net Tax Bill Changes - All Property Types

Net tax bills for all taxpayers rose 9.1% in Monroe County in 2011, more than the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills increase by 5.5%. Tax bills for commercial apartments fell 2.8%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment - increased by 9.8%. These tax increases reflect the increase in tax rates in Monroe in 2011. Agricultural tax bills rose 28.1%. This was mainly due to higher tax rates, but also to the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



### Tax Cap Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

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*TAX CAP CREDITS INCREASED  
SLIGHTLY IN 2011*

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Total tax cap credit losses in Monroe County were \$505,961, or 0.4% of the levy. This was less than the state average loss rate of 9.2% and less than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Monroe County's tax rates were lower than the state median.

About one-third of total tax cap credits were in each of the 1%, 2%, and elderly tax cap categories. Monroe County had no district tax rates above \$3 per \$100 assessed value, so no business property in the 3% tax cap category qualified for credits. The largest percentage loss was in the town of Ellettsville. The largest dollar losses were in the Richland-Bean Blossom School Corporation.

Monroe County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$99,239	\$0	\$0	\$75,152	\$174,392	0.2%
2011 Tax Cap Credits	176,959	152,473	0	176,529	505,961	0.4%
Change	\$77,720	\$152,473	\$0	\$101,377	\$331,570	0.3%

Tax cap credits increased in Monroe County in 2011 by \$331,570, or 190%. The additional credits

represent an added loss of 0.3% of the total tax levy. Most of the increase in tax cap credits was in the 2% tax cap category. The tax rate increase did not cause a large rise in tax cap credits, because much of rate rise was due to the referendum tax rate in Monroe County Community Schools. Rates passed by referendum are outside the caps. The elimination of the state homestead credit contributed to the 1% tax cap credit increase.

### The Effect of Recession

The 2009 recession had a mixed effect on Monroe County assessments for pay-2011. Business property values and construction activity appear to have fallen in Monroe County in 2009, but increases in homestead and other residential values and agricultural assessments almost offset this decline. The tax rate increase would have been smaller had assessments increased more, but Monroe's tax rates are so low that tax rate increases do not generate much in additional tax cap credit losses.

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*2009 RECESSION REDUCED BUSINESS  
ASSESSMENTS IN 2011*

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Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$5,025,591,603	\$5,092,173,759	1.3%	\$2,488,627,972	\$2,512,685,210	1.0%
Other Residential	1,732,735,870	1,743,982,700	0.6%	1,725,909,793	1,725,659,288	0.0%
Ag Business/Land	136,747,700	157,334,540	15.1%	136,436,700	156,848,165	15.0%
Business Real/Personal	2,882,884,337	2,719,485,604	-5.7%	2,117,493,309	2,107,052,817	-0.5%
<b>Total</b>	<b>\$9,777,959,510</b>	<b>\$9,712,976,603</b>	<b>-0.7%</b>	<b>\$6,468,467,774</b>	<b>\$6,502,245,480</b>	<b>0.5%</b>

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

### Monroe County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	% Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
<b>County Total</b>	130,069,003	139,695,441	88,998,327	96,705,044	105,152,172	7.4%	-36.3%	8.7%	8.7%
<b>State Unit</b>	152,322	161,865	0	0	0	6.3%	-100.0%		
<b>Monroe County</b>	23,324,293	25,628,661	19,772,568	20,387,067	18,901,026	9.9%	-22.8%	3.1%	-7.3%
Bean Blossom Township	76,658	80,200	78,206	81,812	132,283	4.6%	-2.5%	4.6%	61.7%
Benton Township	194,522	157,403	179,067	173,620	138,519	-19.1%	13.8%	-3.0%	-20.2%
Bloomington Township	937,815	971,241	914,775	1,219,245	1,159,360	3.6%	-5.8%	33.3%	-4.9%
Clear Creek Township	142,267	147,424	148,342	164,044	162,722	3.6%	0.6%	10.6%	-0.8%
Indian Creek Township	56,033	56,533	59,563	61,800	60,269	0.9%	5.4%	3.8%	-2.5%
Perry Township	439,361	501,201	535,453	593,837	570,746	14.1%	6.8%	10.9%	-3.9%
Polk Township	35,475	36,981	38,445	39,894	40,921	4.2%	4.0%	3.8%	2.6%
Richland Township	585,295	606,039	558,985	597,336	593,865	3.5%	-7.8%	6.9%	-0.6%
Salt Creek Township	52,673	54,540	147,536	156,960	53,247	3.5%	170.5%	6.4%	-66.1%
Van Buren Township	930,849	954,560	1,110,891	1,140,071	1,173,069	2.5%	16.4%	2.6%	2.9%
Washington Township	59,103	60,411	62,677	65,478	67,085	2.2%	3.8%	4.5%	2.5%
Bloomington Civil City	23,874,084	24,246,828	22,924,089	24,383,956	24,923,939	1.6%	-5.5%	6.4%	2.2%
Ellettsville Civil Town	1,176,475	1,094,772	1,171,801	1,314,547	1,361,178	-6.9%	7.0%	12.2%	3.5%
Stinesville Civil Town	6,895	7,229	6,767	7,371	7,346	4.8%	-6.4%	8.9%	-0.3%
Richland-Bean Blossom Comm School Corp	11,134,491	12,601,033	5,558,382	4,846,369	8,578,516	13.2%	-55.9%	-12.8%	77.0%
Monroe County Community School Corp	57,232,389	61,312,734	25,644,864	30,378,122	36,555,541	7.1%	-58.2%	18.5%	20.3%
Monroe County Public Library	5,673,991	6,346,465	5,678,791	7,131,851	6,712,343	11.9%	-10.5%	25.6%	-5.9%
Bloomington Transportation	895,278	926,385	961,761	997,702	1,023,650	3.5%	3.8%	3.7%	2.6%
Perry-Clear Creek Fire Protection	1,065,286	1,211,770	1,089,245	1,345,557	1,272,229	13.8%	-10.1%	23.5%	-5.4%
Monroe County Solid Waste Mgt Dist	1,243,962	1,638,885	1,432,965	1,618,405	1,664,318	31.7%	-12.6%	12.9%	2.8%
Bloomington City Redevelopment	615,529	692,915	718,157	0	0	12.6%	3.6%	-100.0%	
Monroe County Redevelopment Comm	163,957	199,366	204,997	0	0	21.6%	2.8%	-100.0%	

### Monroe County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
53001	Bean Blossom Township	1.7556	--	2.2308%	--	--	--	--	1.7164
53002	Stinesville Town	1.8045	--	2.7327%	--	--	--	--	1.7552
53003	Benton Township	1.1893	--	2.9067%	--	--	--	--	1.1547
53004	Bloomington Township	1.4420	--	3.4179%	--	--	--	--	1.3927
53005	Bloomington City-Bloomington Twp	1.9472	--	4.4687%	--	--	--	--	1.8602
53006	Clear Creek Township	1.3133	--	3.3016%	--	--	--	--	1.2699
53007	Indian Creek Township	1.2144	--	3.0005%	--	--	--	--	1.1780
53008	Perry Township	1.2794	--	3.2301%	--	--	--	--	1.2381
53009	Bloomington City-Perry Township	1.9474	--	4.4937%	--	--	--	--	1.8599
53010	Polk Township	1.4284	--	3.8478%	--	--	--	--	1.3734
53011	Richland Township	1.7463	--	2.3681%	--	--	--	--	1.7049
53012	Bloomington City-Richland Township	2.4348	--	3.7740%	--	--	--	--	2.3429
53013	Ellettsville Town	2.4141	--	3.2035%	--	--	--	--	2.3368
53014	Salt Creek Township	1.1716	--	2.8482%	--	--	--	--	1.1382
53015	Van Buren Township	1.3778	--	3.0822%	--	--	--	--	1.3353
53016	Bloomington City-Van Buren Twp	1.9836	--	4.5694%	--	--	--	--	1.8930
53017	Washington Township	1.1868	--	2.9899%	--	--	--	--	1.1513
53018	Ellettsville Bean Blossom	2.4182	--	3.2049%	--	--	--	--	2.3407

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Monroe County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	175,454	152,473	0	175,361	503,288	105,152,172	0.5%
<i>TIF Total</i>	1,505	0	0	1,168	2,674	8,100,719	0.0%
<i>County Total</i>	176,959	152,473	0	176,529	505,962	113,252,891	0.4%
Monroe County	27,811	19,508	0	31,330	78,649	18,901,026	0.4%
Bean Blossom Township	290	3	0	416	709	132,283	0.5%
Benton Township	9	0	0	159	168	138,519	0.1%
Bloomington Township	422	0	0	2,197	2,618	1,159,360	0.2%
Clear Creek Township	75	0	0	164	239	162,722	0.1%
Indian Creek Township	10	0	0	88	97	60,269	0.2%
Perry Township	991	0	0	757	1,747	570,746	0.3%
Polk Township	48	0	0	55	103	40,921	0.3%
Richland Township	1,137	1,084	0	1,998	4,219	593,865	0.7%
Salt Creek Township	1	0	0	33	33	53,247	0.1%
Van Buren Township	355	0	0	3,584	3,939	1,173,069	0.3%
Washington Township	2	0	0	43	45	67,085	0.1%
Bloomington Civil City	39,903	494	0	29,523	69,921	24,923,939	0.3%
Ellettsville Civil Town	20,422	48,778	0	6,647	75,846	1,361,178	5.6%
Stinesville Civil Town	0	0	0	26	26	7,346	0.4%
Richland-Bean Blossom Comm Sch Corp	39,287	73,940	0	30,343	143,571	8,578,516	1.7%
Monroe County Community School Corp	30,469	0	0	51,257	81,726	36,555,541	0.2%
Monroe County Public Library	9,877	6,928	0	11,126	27,931	6,712,343	0.4%
Bloomington Transportation	1,639	20	0	1,213	2,872	1,023,650	0.3%
Perry-Clear Creek Fire Protection	257	0	0	1,644	1,902	1,272,229	0.1%
Monroe County Solid Waste Mgt Dist	2,449	1,718	0	2,759	6,925	1,664,318	0.4%
Bloomington City Redevelopment	0	0	0	0	0	0	
Monroe County Redevelopment Comm	0	0	0	0	0	0	
TIF - Bloomington Township	0	0	0	353	353	46,723	0.8%
TIF - Bloomington City	0	0	0	0	0	2,991,383	0.0%
TIF - Perry Township	0	0	0	0	0	292,003	0.0%
TIF - Perry City	1,334	0	0	640	1,973	2,564,657	0.1%
TIF - Richland Township	171	0	0	176	348	1,297,684	0.0%
TIF - Richland City	0	0	0	0	0	908,269	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.